## SENATE BILL REPORT E2SHB 1220

## As of March 16, 2021

**Title:** An act relating to supporting emergency shelters and housing through local planning and development regulations.

**Brief Description:** Supporting emergency shelters and housing through local planning and development regulations.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Peterson, Macri, Bateman, Ryu, Lekanoff, Fitzgibbon, Kloba, Davis, Lovick, Santos, Ortiz-Self, Simmons, Berg, Hackney, Chopp, Tharinger and Frame).

**Brief History:** Passed House: 3/3/21, 57-39.

Committee Activity: Housing & Local Government: 3/18/21.

## **Brief Summary of Bill**

- Updates the housing goals of the Growth Management Act (GMA) to include planning for and accommodating affordable housing.
- Requires GMA jurisdictions to address moderate, low, very low, and extremely low-income housing and racially disparate impacts and displacement in the housing element of the comprehensive plan.
- Requires the Department of Commerce to provide an inventory and analysis of existing and projected housing needs required in the housing element of the comprehensive plan, including emergency housing and shelters and permanent supportive housing.
- Prohibits cities from preventing emergency housing, permanent supportive housing, or indoor emergency shelters in multifamily, commercial, or mixed use zones where short-term rentals are allowed.
- Directs GMA jurisdictions to consider certain policies that encourage the construction of accessory dwelling units to meet affordable housing goals.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

## SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

**Staff:** Brandon Popovac (786-7465)

**Background:** Growth Management Act. The Growth Management Act (GMA) is the comprehensive land-use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land-use designation and environmental protection requirements for all Washington counties and cities. The GMA also establishes a significantly wider array of planning duties for 28 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA.

Counties that fully plan under the GMA must designate urban growth areas (UGAs), within which urban growth must be encouraged and outside of which growth may occur only if it is not urban in nature. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period. Cities must include sufficient areas to accommodate the broad range of needs and uses that will accompany the projected urban growth, including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

The GMA also directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA. When developing their comprehensive plans, counties and cities must consider various goals set forth in statute.

Comprehensive Plan—Mandatory Housing Element. The comprehensive plan of a fully planning county or city must consist of a map or maps and descriptive text covering objectives, principles, and standards used to develop the plan. The plan must be an internally consistent document and all elements must be consistent with the future land-use map. Each comprehensive plan must include a plan, scheme, or design for certain enumerated elements, including a housing element. The housing element must ensure the vitality and character of established residential neighborhoods and:

- include an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth;
- include a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences;
- identify sufficient land for housing, including government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and
- make adequate provisions for existing and projected needs of all economic segments of the community.

Local Planning for Accessory Apartments. Local governments are required to have

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accessory apartments, commonly referred to as accessory dwelling units (ADUs), provisions incorporated in their development regulations, zoning regulations, or official controls. These provisions must be consistent with a 1993 report from the Department of Community, Trade, and Economic Development (CTED) that provided recommendations to the Legislature designed to encourage development and placement of accessory apartments in areas zoned for single-family residential use. CTED recommendations include standards and criteria regarding size, parking, design, and quantity of accessory apartments. Local communities have some flexibility to adapt these recommendations to local needs and preferences. "Local government" means a county planning under the GMA, a city with a population of over 20,000, and a county with a population of over 125,000.

<u>Accessory Dwelling Unit Regulation.</u> In 2019, the Legislature encouraged fully planning cities to take an array of specified planning actions to increase residential building capacity. Specified planning actions relating to ADUs include authorizing attached and detached ADUs on all parcels containing single-family homes on lots of a certain size.

In 2020, the Legislature required any city within a county planning under the GMA that has not adopted or substantively amended its ADU regulations within the previous four years to adopt or amend ordinances, regulations, or other official controls that do not require the provision of off-street parking for ADUs within 0.25 mile of a major transit stop, with exceptions.

**Summary of Bill:** The housing goal guiding the development of comprehensive plans and development regulations for GMA jurisdictions is updated to provide that jurisdictions plan for and accommodate, rather than encourage the availability of, affordable housing.

The Department of Commerce must provide the inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth as required in the housing element of the comprehensive plan, including units for moderate, low, very low, and extremely low-income households as well as emergency housing, emergency shelters, and permanent supportive housing. Definitions are provided for emergency housing, emergency shelter, and moderate-income household.

The housing element of the comprehensive plan is updated to require GMA jurisdictions to do the following:

- include moderate density housing options in the statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing;
- identify zoning capacities for housing, including moderate, low, very low, and extremely low-income households as well as emergency housing, emergency shelters, and permanent supportive housing;
- when making adequate provisions for existing and projected needs of all economic segments:
  - 1. incorporate consideration for low, very low, extremely low, and moderate-

income households:

- 2. document programs and actions needed to achieve housing availability, including gaps in state and local funding, barriers such as development regulations, and other limitations;
- 3. consider housing locations in relation to employment location; and
- 4. consider the role of ADUs in meeting housing needs;
- identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including discriminatory zoning, disinvestment, and infrastructure availability;
- identify and implement policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing;
- identify areas at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- establish anti-displacement policies, with consideration to investments in low, very low, extremely low, and moderate-income housing, equitable development initiatives, inclusionary zoning, community planning requirements, tenant protections, land disposition policies, and land that may be used for affordable housing.

Cities may not prohibit emergency housing, permanent supportive housing, or indoor emergency shelters in multifamily, commercial, or mixed use zones where short-term rentals are allowed, but may allow such housing and shelters in all zones. Cities must allow emergency housing, permanent supportive housing, and short-term transitional or therapeutic housing at the same occupancy levels as short-term rentals permitted in the residential zone. Cities are not precluded from implementing regulations to mitigate neighborhood or community impacts of specific facility types. "Short-term rental" is defined as lodging advertised or regularly offered for overnight or daily use in exchange for periods of one month or less.

Cities and counties are directed to consider policies encouraging construction of ADUs to meet affordable housing goals. Policies may include:

- prohibiting owner-occupancy requirements;
- requiring the owner not to use the ADU for short-term rentals;
- prohibiting counting of ADU residents toward the number of unrelated residents on the lot;
- prohibiting minimum gross floor area requirements exceeding building codes;
- prohibiting maximum gross floor area requirements of certain dimensions;
- requiring the same ADU allowances regarding roof decks, balconies, and porches as for the principal unit;
- requiring certain abutting lot setbacks;
- requiring an amnesty program for owners with unpermitted ADUs to obtain permits;
- authorizing detached ADUs, ADUs on lots meeting minimum lot size, and ADUs on lots with nonconforming principal units, if the ADU would not increase the nonconformity;
- authorizing ADUs to be converted from existing structures even if in violation of

current setback or lot coverage requirements;

- prohibiting public street improvements as a requisite to permitting ADUs; and
- prohibiting new or separate utility connection requirements between the ADU and utility, with exceptions.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

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